



Call for Expression of Interest to select a Financial Intermediary under the Business Angels' Co-Investment Equity Instrument in Greece

Reference number: Call for EoI - No. JER-001/2020/01

Introduction

The objective of this Call for Expression of Interest (the "Call"), launched by the European Investment Fund ("EIF"), is to select an eligible financial institution to become a Financial Intermediary under the Business Angels' Co-Investment Equity Instrument in Greece (the "Fund"), as further described below. All applications submitted to the EIF under the Fund should conform to the Call.

The present Call concerns the investment in a Business Angels' Co-Investment Equity Instrument in Greece to be made by the EIF under the JEREMIE Holding Fund (hereinafter, "JHF") with the proceeds from JEREMIE operations. The JEREMIE initiative is a framework providing a series of coherent actions to promote increased access to finance for micro, small and medium-sized enterprises. In Greece, the JEREMIE initiative is organised through the JHF, managed by EIF, in accordance with the amended and restated Funding Agreement dated on 07/09/2020. Following the initial implementation period, the JHF is in its legacy period and is receiving returned resources from operations, known as "Proceeds of Operations" or "Reflows", which may be used for setting up further financial instruments.

This Call for Expression of Interest is addressed to bodies or firms, whether public or private, which are interested in receiving resources as Financial Intermediaries (as defined) for the implementation of the Fund. Such activities shall be carried out in accordance with the contractual agreement to be entered into by the EIF and the selected Financial Intermediary ("Operational Agreement").

Interested Financial Intermediaries should express their interest by completing and submitting an Expression of Interest (as defined), a template of which is attached hereto, the manner provided in the call and meeting the conditions.

1. Definitions and Interpretation

In this Call, capitalised terms and expressions shall have the meaning attributed to them below, unless otherwise defined above or the context requires otherwise.

Applicant	means a Financial Intermediary applying to this Call for Expression of Interest;
Business Day	means a day during which EIF Luxembourg office is open, and banks are open for general business in Athens and Luxembourg;
Deadline	means <u>30 November 2020</u> ;
EIB Group	means the European Investment Bank (EIB) and the European Investment Fund (EIF);
Eligibility Criteria	means the criteria with which the Expressions of Interest and the Applicants must comply and which are listed in Annex 2 hereof;
Expression of Interest	means a proposal sent by an Applicant in response to this Call for Expression of Interest, within the Deadline, to be drafted in accordance with the template attached hereto;
Financial Instrument	Business Angels Co-Investment Equity Instrument;
Financial Intermediary	means an entity undertaking risk capital investments by providing long-term equity and/or quasi-equity (including investment funds, private equity funds and special purpose vehicles established or in formation) to be selected by EIF for the implementation of (a) Financial Instrument(s);
JEREMIE Holding Fund	means the Holding Fund established in accordance to the 2007 Funding Agreement signed by the Hellenic Republic and EIF
Non-Cooperative Jurisdictions	means a jurisdiction: <ul style="list-style-type: none"> (a) listed in the Annex I of the European Council conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes; (b) included in the OECD/G20 list of jurisdictions that have not satisfactorily implemented the tax transparency standards; (c) listed in the Annex of the Commission Delegated Regulation (EU) 2016/1675 of 14 July 2016 supplementing Directive (EU) 2015/849 of the

	<p>European Parliament and of the Council by identifying high-risk third countries with strategic deficiencies;</p> <p>(d) rate as “partially compliant” or “non-compliant”, including corresponding provisional ratings, by the Organisation for Economic Cooperation and Development and its Global Forum on Transparency and Exchange of Information for Tax Purposes against the international standard on exchange of information on request;</p> <p>(e) included in the Financial Action Task Force statement “High risk Jurisdictions subject to a Call for Action”; or</p> <p>(f) in the Financial Action Task Force statement “Jurisdictions under Increased Monitoring”,</p> <p>in each case as such statement, list, directive or annex may be amended and/or supplemented from time to time.</p>
Operational Agreement	means an agreement entered into between a Financial Intermediary and the EIF regarding a Financial Instrument on the basis of this Call for Expression of Interest and the selection process;
Proceeds	means in respect of a Financial Instrument, the aggregate of any amount which is generated, recovered, released, including but not limited to capital repayments and gains and other earnings or yields, such as interest, guarantee fees, dividends, capital gains, or any other income generated by investments from the financial instrument;
Quality Assessment Criteria	means the quality assessment criteria applied by EIF at the sole discretion of EIF to assess the suitability of the Applicant and/or the proposed Financial Instrument(s) according to the business standards of EIF and which are listed in Annex 2 hereof;
Selection Criteria	means the Eligibility Criteria and the Quality Assessment Criteria;
Small and Medium-sized Enterprises or SMEs	means a micro (including individual entrepreneurs and self-employed persons), small or medium-sized enterprise as defined, as applicable, in the Commission Recommendation 2003/361/EC of 6 May 2003, as amended from time to time concerning the definition of micro, small and medium-sized enterprises.

2. Business Angels' Co-Investment Equity Instrument in Greece ("the Fund")

According to the amended and restated JEREMIE Greece Funding Agreement, the European Investment Fund was appointed by the MS to act as its agent to actively manage and deploy the reflows made available under the JHF of Greece.

As per the relevant regulatory framework¹, gains generated by payments from OPs to financial engineering instruments supporting repayable investments for certain types of actions and final recipients, such as JEREMIE reflows, must be used for the benefit of the same type of actions, constitute national budget and are no longer subject to EU Structural Funds requirements.

3. Eligible Financial Intermediaries

The EIF shall select one Financial Intermediary to implement the Fund in accordance with the procedure described below. The selection of the Financial Intermediary shall be made based on the funding available from time to time, and shall be based on the Selection Criteria.

Financial Intermediaries shall comply with relevant standards and applicable legislation on the prevention of money laundering, the fight against terrorism and tax fraud to which they may be subject. Furthermore, in the case of cross-border Financial Instruments where the relevant support is not reserved for operations, projects or activities implemented in the same jurisdiction where the concerned Financial Intermediary is incorporated, Financial Intermediaries (and sub-intermediaries) shall not be incorporated in Non-Cooperative Jurisdictions. Each applying Financial Intermediary may inquire about the status of a particular jurisdiction with EIF.

Financial Intermediaries shall acknowledge the EIF Anti-Fraud Policy (http://www.eif.org/attachments/publications/about/Anti_Fraud_Policy.pdf) which sets out the policy of EIF for preventing and deterring corruption, fraud, collusion, coercion, obstruction, money laundering and terrorist financing and shall take appropriate measures (as may be further specified in the Operational Agreements) to facilitate implementation of such policy.

4. Description of the activities expected from the selected Financial Intermediaries

It is planned to allocate out of the JEREMIE reflows an amount of up to EUR 20 million to the Financial Instrument. Financial Intermediaries may express their interest for a contribution of up to the full amount indicated to this particular Financial Instrument.

¹ Article 78(7) of the General Regulation 1083/2006 and Revised Guidance Note on Financial Engineering Instruments (08/02/2012)

The table below complemented by the relevant Annex set out the allocation, the Selection Criteria and the description of the Financial Instrument.

Financial Instrument	Capital allocation	Applicable
Business Angels' Co-Investment Equity Instrument	Up to EUR 20 million	Annex 2 (Financial Instrument: Description and Selection Criteria)

The indicative capital allocated to the Financial Instrument, as well as the amounts available for contribution by the JHF reflows to the selected Financial Intermediary, may be changed as necessary, at EIF's sole discretion subject to applicable approvals, particularly if the funding available changes during the implementation process or the demand for the Financial Instrument so requires. Also, during implementation process of the particular Financial Instrument, EIF may, at its sole discretion, decide to propose to increase / decrease its commitment to the Financial Intermediary or consider any Financial Intermediary for the Financial Instrument(s) under the Call. With a view to maximising the efficient use of the reflows of the JHF, EIF shall have sole discretion to allocate any available amounts to Financial Intermediary(-ies) that out-perform initial expectations on the build-up of the relevant Portfolio. For the avoidance of doubt, any fully committed capital to the Financial Instrument shall be governed by the terms of the relevant operational agreement.

5. Expression of Interest

A template for the Expression of Interest is attached hereto as Annex 1.

The Expression of Interest shall include the Applicant's identification, the Business Plan, the supporting identification documents and the Declaration of Honour.

No later than 26 October 2020, the Applicants may request clarifications regarding this Call for Expression of Interest or the nature of the Financial Instrument(s). Such requests must indicate the Call for Expression of Interest reference number and the name of the Applicant and shall be submitted in English via e-mail to:

Mandate Management
European Investment Fund
jer-gr-bas@eif.org

Requests for clarifications from Applicants shall not receive individual replies. Instead, answers to relevant requests for clarifications received within the relevant deadline will be published together in a Clarification Document to be posted on the website www.eif.org, at latest on **9 November 2020**.

EIF will, in principle, not contact any Applicant prior to the Deadline, unless it considers it necessary to clarify issues of a mere technical nature. However, should EIF discover any errors, inaccuracies, omissions or any other type of clerical defect in the text of the Call for Expression of Interest before the Deadline, EIF will correct the text and inform accordingly.

The Expressions of Interest, including the submitted documents, shall be in English only.

EIF, under its sole discretion, reserves the right to launch any number of subsequent Calls for Expression of Interest that are in line with the objectives of this call.

6. Submission of Expression of Interest

The Expressions of Interest shall be submitted on or before the Deadline both by (i) e-mail and (ii) registered mail or professional courier service. The Expressions of Interest sent by registered mail or professional courier service shall consist of a closed single package, and shall contain the Expression of Interest, together with its attachments, in paper form and in removable electronic storage medium (e.g. CD-ROM or USB stick).

The Deadline for the submission of Expressions of Interest is 30 November 2020.

The Deadline applies (i) in case of e-mails, to the reception by EIF and (ii) in case of registered mail or professional courier service, to the date of dispatch proven by the post office stamp or a dispatch receipt.

The Expressions of Interest shall indicate the reference number of the Call (Call for EoI – No. JER-001/2020/01) and the name of the Applicant and shall be sent to the following address:

Postal Address:

European Investment Fund
Attention: Mandate Management
37B, avenue J.F. Kennedy
L-2968 Luxembourg
LUXEMBOURG

The outer envelope (package) shall indicate the following: “Expression of Interest – **Call for EoI – Greek JER-001/2020/01** – Not to be opened by the reception – To be passed without opening to Mandate Management”.

The electronic version of the Expression of Interest shall be sent to: jer-gr-bas@eif.org, stating in the subject of the email: “**Call for EoI – Greek JER-001/2020/01**: [name of the Applicant]”.

Prior to the Deadline and in the same manner as specified above, the Applicants may change or amend their Expressions of Interest by clearly indicating the parts to be changed or amended.

An acknowledgement of receipt will be sent to the relevant Applicants by EIF via e-mail, which shall state the following:

- unique application identifier (Expression of Interest number), to be used in all subsequent communications relating to the Expression of Interest;
- confirmation that the Expression of Interest was received by the Deadline.

The acknowledgement of receipt does not constitute a declaration of completeness of the Expression of Interest and the documents submitted therewith, nor any other kind of assessment or acceptance of the same.

The Applicants may withdraw their Expression of Interest at any stage of the Selection process, by sending (i) an email and (ii) a letter to the above-mentioned addresses.

7. Selection Process

Financial Intermediaries shall be selected on the basis of EIF's policies, rules, procedures and statutes and in conformity with best practices with an open, transparent, proportionate, non-discriminatory and objective selection procedure, avoiding conflicts of interest, taking into account the selection criteria and principles, and the experience and financial capacity of the Applicants.

In addition, the Expressions of Interest will be examined by the EIF on a comparative basis, using professional analysis and judgment, based on the Selection Criteria.

Following the receipt of the Expression of Interest, EIF shall assess the application(s) pursuant to the selection process outlined herewith. This process comprises:

1. Pre-selection;
2. Due diligence;
3. Selection.

Following the pre-selection based on the Expression of Interest EIF shall perform a due diligence of the pre-selected Applicant, as a result of which EIF shall decide whether or not to approve the signature of an Operational Agreement, in accordance with its internal rules and procedures with the pre-selected Applicant.

The contractual negotiation process may not be considered concluded prior to the approval of the signature of the Operational Agreement in accordance with EIF's internal rules and procedures, and is in any case not concluded until EIF and the Applicants have agreed on all relevant terms and conditions.

Each of these three steps is described in more detail below from section 7.1 to section 7.3.

Applicants who are not initially considered for contractual negotiations may, subject to the EIF's discretion, be included on a reserve list, which unless cancelled or extended in writing by EIF shall be valid up to 31 December 2022, following notification of inclusion in the reserve list (hereinafter, "Reserve List").

In any phase of the selection process before entering into an Operational Agreement with an Applicant, EIF reserves full discretion to consider or not Applicants (and participating entities, in case of joint Expressions of Interest), and no Applicant or participating entity may have any claim or other right or may expect to be ultimately selected as Financial Intermediary. The negotiation of terms and conditions of the Operational Agreement does not entail any obligation for EIF to enter into such Operational Agreement with the relevant Applicants.

The applicants will be selected in due consideration of the general principles of transparency, equal treatment and non-discrimination, in compliance with EIF's policies, rules, procedures and statute and in conformity with best business and market practices.

Those Applicants, whose Expression of Interest is rejected, shall have the right to submit a written complaint about the selection process by e-mail, registered mail or professional courier service, to the same address used for the submission of the Expressions of Interest above, within the timeline provisioned within the relevant EIB Group complaints policy. Any complaints will be dealt within the framework and in accordance with the EIB Group complaints policy (for further information visit <https://www.eib.org/en/publications/complaints-mechanism-policy>).

Any personal data provided by the Applicants shall be processed by EIF in compliance with its Data Protection Statement (EIF statement on the processing operations of Applicants and Financial Intermediaries' personal data, as published on the EIF's website) and the Regulation (EU) 2018/1725 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies offices and agencies and on the free movement of such data, as amended from time to time (<https://www.eif.org/attachments/processing-of-final-recipients-personal-data.pdf>).

The EIF reserves the right at any time to request written clarification or the submission of additional or supplementary written information in respect of any application, verify any applicant or with a third party any information set out in any submission.

7.1. Pre-selection

Expressions of Interest will be assessed by the EIF for pre-selection on a comparative basis. When assessing the Expressions of Interest, EIF will use its professional analysis and judgment.

The pre-selection comprises:

1. Pre-selection stage 1: Eligibility assessment of the Expressions of Interest;
2. Pre-selection stage 2: Quality assessment of the Expressions of Interest.

7.1.1. Eligibility assessment of the Expressions of Interest

EIF will assess whether the Expressions of Interest for the Financial Instrument have been prepared in accordance with the provisions of this Call and comply with Eligibility Criteria.

The Expressions of Interest that do not comply with the Eligibility Criteria will be rejected. Financial Intermediaries, whose application is rejected because of non-compliance with any of the elements reflected in the Declaration of Honour (Appendix 4 to the Expression of Interest), may not present themselves for consideration in subsequent Calls for Expression of Interest unless it is specifically evidenced that the reason for the exclusion no longer exists.

7.1.2. Quality assessment of the Expressions of Interest

After completing assessment of the Eligibility Criteria, and after having obtained any additional information or clarifications from Applicants, if and as needed, the EIF will perform the quality assessment of the Expressions of Interest according to the Quality Assessment Criteria. The assessment of Expressions of Interest at this stage will be conducted under competitive terms.

7.2. Due diligence

Top-ranked pre-selected Expressions of Interest will be followed up with the due diligence process, carried out in accordance with the EIF's internal rules and procedures, where financial and operational matters relating to the financial instrument implementation shall be analysed in more detail.

The aim of the due diligence is to assess, inter alia, the ability to generate a qualitative deal flow, undertake an appropriate and relevant investment/divestment strategy, the commitment of the Applicant, the experience, etc., systems and ability to comply with the reporting requirements. The due diligence normally comprises an on-site visit, which shall be at the discretion of the EIF. The due diligence process does not comprise legal negotiations.

7.3. Selection

Based on the pre-selection outcome and the outcome obtained following the due diligence, the EIF will decide either:

- 1) To select the Applicant, by way of EIF Board approval;
- 2) To put the Applicant into a Reserve List;
- 3) To reject the proposal from the Applicant.

Subject to satisfactory outcome of the due diligence, EIF may request its Board approval to enter into Operational Agreement with the selected Financial Intermediary. EIF has no obligation to enter into an Operational Agreement with the selected Applicant.

If an Applicant is selected, the EIF can agree with an Operational Agreement, subject to (i) successful commercial and legal negotiations (ii) the EIF internal approval of the transaction according to EIF own rules and procedures.

8. Publishing of information on the Financial Intermediaries

EIF may publish, from time to time, on its website a list of Financial Intermediaries, which may include the name and the registered addresses of the Financial Intermediaries, types of the contract entered into and the EIF contribution. EIF may also publish a list of Final Recipients (SMEs) benefiting from the assistance by the Applicant as provided for in the Operational Agreement(s).

A Financial Intermediary may, prior to receiving financial support under the instrument, notify EIF in writing detailing its inability to comply with and/or be subject to the publication requirement if it risks harming its commercial interests or risks threatening the rights and freedoms of individuals concerned as protected by the Charter of Fundamental Rights of the European Union. In addition, such publication shall not be required if it would be illegal under the applicable laws and regulations. However, such publication shall be determined by applicable laws and regulations.

ANNEXES

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| Annex 1. | Expression of Interest and relevant Appendixes templates |
| Annex 2. | Financial Instrument: Description and Selection Criteria |
| Annex 3. | Business Angels' Co-Investment Equity Instrument Term Sheet |